

Contra Costa affordable-housing advocates hope to build off 'great energy' of new state laws



California, speaking about the state housing bills at the Richmond town hall on Sept. 30. (Photos by Alex Nieves) By <u>Alex Nieves</u>Posted October 11, 2017 5:27 pm

After years of ballooning home prices and plummeting consumer confidence, Gov. Jerry Brown signed 15 housing bills late last month. These new laws aim to address California's affordable housing shortage. In Contra Costa County, the laws have been met with cautious optimism — and also a feeling that more needs to be done.

The bills come amid a push by county supervisors and community organizations to create a dialogue about the housing crisis. They are currently hosting a series of town halls, with the most recent taking place in Richmond.

"I'm really optimistic, I see great energy here," Supervisor John Gioia said at the town hall. "The bills signed yesterday are a statewide start, and I think that energy has already existed in our county."

The state's housing package includes legislation focused on creating new revenue streams for affordable housing projects, such as a real estate transaction fee and a \$4 billion housing bond, along with bills that could force developers to meet increased affordable housing requirements.

During the Richmond town hall, some speakers talked about the significance of the state bills, including Senate Bill 3, which will put a multibillion-dollar housing bond on California's ballot in November 2018.

The ballot measure was described as just a drop in the bucket of California's overall funding needs, but proponents still emphasized its importance. "If there's one thing I would like everyone to take away from this, it is please tell your neighbors, your friends, your coworkers about this housing bond," said Pedro Galvao, policy manager for the Non-Profit Housing Association of Northern California.

While encouraged by the new state legislation, local activists still are pushing for a regional solution to the housing shortage and affordability crisis.

"[During] these past November elections, there were three counties that were putting housing bonds, or housing financing, on their ballots and we feel that Contra Costa should pursue something like that as well," said Zuleika Godinez, policy coordinator for Ensuring Opportunity, a campaign to end poverty in Contra Costa.

In November, Alameda and Santa Clara counties passed bonds for affordable housing worth \$580 million and \$950 million, respectively. San Mateo County also adopted a sales tax measure to address the issue.

At the Richmond town hall, officials and speakers also discussed Senate Bill 2, Assembly Bill 1505 and Assembly Bill 1521, all recently signed by the governor, as well.

One of the more controversial pieces of legislation, S.B. 2 places a new fee, between \$75-\$225, on real estate transactions such as mortgage refinancing. This bill is estimated to collect \$200-\$300 million per year, to be put toward housing development.

According to Gioia, he and Congressmember Mark DeSaulnier, who previously served on the board of supervisors, had tried and failed to get a similar fee passed at the local level.

A.B. 1505 states that counties or cities can require a developer to include a certain percentage of affordable homes in the development of residential rental units. And A.B. 1521, according to Galvao,

requires a developer that can't maintain its affordable housing units give organizations that can the first opportunity to purchase them.

Despite his positive outlook on the bills, Galvao acknowledged that they are just a Band-Aid on bigger issues. "They don't go far enough, but they do make a difference," he said.

In the future, Gioia and Godinez would like to see policy that links transportation funding to affordable housing development. Gioia, who previously served on the Contra Costa Transportation Authority, said that future sales tax measures for transportation projects should only be approved if money is made available for housing, as well.

The median price of a home in the Bay Area sits right around \$740,000, almost \$200,000 more than a home in Los Angeles, according to CoreLogic's August data. A recent report from the Public Policy Institute of California also analyzed the strain being put on Bay Area homeowners — almost 80 percent of whom say housing affordability is a problem.

Gioia believes that solutions to this fraught housing situation have to come from collaboration at all levels of government.

"Frankly, I think it's important that we realize this is a collective issue, that no one agency can solve this."